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about confidence in the stability of the governments of the European nations, but the real work of rehabilitation must be done by the people. The efficiency of the government of any country depends upon the intelligence and vision of its people.

For years business organizations have been a part of the national life of every European country. Each important business center in Europe has such an organization. During the last fifteen years the business men of this country have realized the efficacy of business association. The Chamber of Commerce of the United States is a splendid national organization.

The International Chamber of Commerce, with a membership of twenty-two countries, is exerting a great influence on the European situation. Through its instrumentality business men of all countries may come together and agree as to policies to be pursued by their governments, and then exert their influence on the government to secure results. In addition, plans to improve world conditions may be conceived and carried through without governmental action.

The reports of the Genoa Conference indicate that the European

economic situation is critical. It is apparent that the European countries cannot start the machinery to make the world function again as a going concern without our coöperation. Their attempt to settle the economic troubles of Europe at Genoa without our presence is as futile as to try to rearrange or adjust the affairs of an individual bankrupt in the absence of his chief creditor. When and where we shall engage in another conference with the European nations, and where and on what terms we shall recognize Russia as a nation may be left to the judgment of our President and his cabinet—to such strong, courageous and patriotic men as Secretaries Hughes, Hoover and Mellon.

It is the function of organizations like the American Academy of Political and Social Science to do what the Academy is now trying to do—educate the people of this country to think internationally, so that when Congress may be asked to authorize the participation of the United States in the solution of international problems, the members of our national legislature may think and act as becomes the representatives of the richest and most progressive country on earth.

Is American Coöperation Necessary for European Rehabilitation?

By EDWARD A. FILENE

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THE answer to this question is "yes." If the rehabilitation of Europe is to come within the present generation, if new wars are to be avoided and we are to have a stabilized world during our lifetime, it seems clear that American coöperation is indispensable.

One who understands the problems that have for some weeks been under discussion at Genoa can hardly doubt that if three years ago we had seen the actual needs of the situation, as great numbers of us see them now, and had then whole-heartedly assumed the responsibilities for that part of the

rebuilding of civilization that belongs to this great people, the entire world-situation would be different from what it now is and much more satisfactory. If even now we can begin to deal in sane vision and courage with these problems, Europe can be placed on her feet at no distant day and the situation saved both for her and for us.

If we present-day Americans, however, prove unable to see how essential it is, both for Europe and for ourselves, that we coöperate in this rehabilitation, then will it nevertheless come about, but not in this generation. And even when it comes, it will be without our help, honor or profit. Mr. Lloyd George has a faculty of succeeding when all others think he will fail. It may be that he will succeed at Genoa and even now create an association of European nations which will bring about rehabilitation without our aid. But if this is accomplished, it will be hardly less than a miracle.

Even if the European nations now assembled at Genoa¹ should be able to achieve enough harmony to sign a ten-year pact not to disturb the peace, yet I do not believe that such an agreement will furnish a sufficiently strong guaranty for the future without the participation of the United States. I do not mean that without us Europe will go immediately and utterly to pieces. Civilizations do not disappear in that way. I have little doubt that after a few generations more of war and increasingly unbearable taxes and revolutions there will come a reaction which will establish international law, backed by the sanction of all the European nations. It will come by very reason of the unbearableness of the situation. This reign of law as a substitute for war will gradually suc-

ceed even without our coöperation. But it is certain that such a recovery will be considerably postponed—probably long postponed—through our continued aloofness.

EUROPEAN TURMOIL A NATURAL RESULT OF WAR

Three years have now elapsed since the conclusion of the Great War, which, to use Premier Clémenceau's phrase, deserved "a great peace." What are the results? If we face the facts squarely, we must admit that the nations are not yet at peace; that though military operations have, for the moment, ceased, yet economic warfare, which is a breeder of war, still goes on. There is a mutual distrust everywhere and in every nation a desire to be prepared for a future contest.

Deplorable as such a situation is, it is not one that ought to surprise or puzzle us. What is happening in Europe is inevitable and, on the whole, simple. Given certain premises, it is relatively easy to foresee what trend events must take. To do so, one does not need to be a prophet or the son of a prophet. As far back as 1917, in an article published on May 27 of that year, I said:

Suppose this war is ended by a conventional treaty and that no other way is left open to settle future disputes. Then not only will the nations of Europe be compelled to face their tremendously burdensome war debts, but they will also be obliged to keep up their armaments on a scale that the present war has taught them to be necessary in international clashes. It is probably conservative to say that this means that the peace-time expenditure for armies and navies will be at least double what it was before the War.

We now learn that, whereas the combined armies of Germany and Austria-Hungary numbered before 1913 only about a million men, the combined

¹ This paper was written before the conclusion of the Genoa Conference.—C. L. K., Editor.

armies of France, Poland and the Little Entente today number almost two million. We also learn that, despite the Washington Conference, the naval expenditures of Great Britain, the United States and Japan are not less than they were before 1914.

After returning from a study trip to Europe last summer, during which I visited nine countries and conferred with the leaders of all classes in each, I said in an article published on November 27 last in the *New York World*:

We now witness an economic war in process, with increasing hatreds between nations—a situation full of peril to Europe, destructive to the economic well-being and possibilities of peace of the whole world, and all because of a hopeless attempt to get on a “defensive war” footing, when every economic consideration points to the wisdom and necessity of a sound business footing.

And since last fall the situation has not much improved.

On April 26, addressing the assembled press representatives at Genoa, Mr. Lloyd George, the British Prime Minister, compared Europe to seething racial lava, which, like the earth’s crust, was seeking a proper level. This adjustment, he said, was full of peril. In his opinion the disorganization of Europe would affect the entire world, including the United States. “We must realize,” he said, “that Europe is not on good terms and that storms are now arising with which we must deal. We had hoped that the end of the War meant the end of brute force, but unless Europe’s problems are solved there is no assurance that force has given way to right.”

GENOA CONFERENCE AN ATTEMPT TO SOLVE EUROPE’S POLITICAL PROBLEMS

It was to solve these problems that the conference at Genoa was called. I believe it is a mistake to criticize that

conference, as has been done, for being political rather than economic. In the *World* article of last fall I wrote, “There are political adjustments that must precede the economic adjustments; but the economic adjustments must be understood in order to make the political adjustments possible.” Secretary Hughes emphasized this same point when he characterized the Genoa program as political rather than economic.

In order to make the economic adjustments possible, the European states must first come to some degree of mutual understanding. There must be a return of confidence before there can be a restoration of trade. When you wish to start a business concern you organize your company, adopt a charter and by-laws and elect your officers and directors, before you issue stock or begin actual operations. It is the same with Europe. Its component states must first come to a political agreement before they can achieve economic coöperation.

PROPOSAL OF A TEN-YEAR TRUCE

What is the program at Genoa? In brief, it is, first of all, an agreement not to fight, at least not for ten years, and an agreement to talk things over before resorting to force. In general, the problem before the European states today is similar to that before the thirteen American colonies at the close of the War for Independence. There is, however, this difference; that, whereas the thirteen colonies had fought side by side against the same enemy, the European states have been fighting each other. It took several years to frame the American Constitution and several more to get it ratified by the required majority of states. The European situation, being much more complex and difficult, cannot reason-

ably be expected to clarify itself immediately.

Whether such an agreement not to violate the national borders for at least ten years, as now established, would keep the peace or not it is difficult to predict. At any rate it would be a beginning. But, in the long run, the people of Europe, as well as of the United States, will realize that there is only one permanent substitute for war as a means of settling international disputes. And that substitute is a court that would deal with them according to international law. Just as one of the functions of the Supreme Court of the United States is to settle differences between the states, in case of disputes between them, so the states of the world must have an international court in whose integrity all have confidence. Now the question arises whether such a court could succeed without the support and backing of the United States, the nation with the greatest material resources in the world.

"America could exercise an influence no other could command," said Mr. Lloyd George, when addressing the assembled press representatives at Genoa. "She could come here free and disentangled and with the prestige which comes from her independent position. She would come with the voice of peace. But America is not here; so Europe must do her best to solve her problems in her own way."

ABSENCE OF AMERICA A SOURCE OF PERIL

Already the absence of the United States from the League and conferences of the nations has been the cause of many of the immediate dangers to peace. This absence has made inoperative those international tribunals that would adjudge peaceably the disputes that now threaten to flare up

into war. The lack of American coöperation is the chief reason why France has been obliged to base her German policy on fear of attack. Twice within the memory of men now living, France has been attacked by Germany and has suffered grievously. The Treaty of Versailles was based on American participation with the Allies, and since that support was suddenly withdrawn, France has had to keep her men under arms instead of setting them to work at economic reconstruction. This reconstruction, if undertaken, would, in turn, have improved our own business conditions. Fear of a new attack makes the French government unstable unless it panders to this fear, instead of doing the undramatic, burdensome things necessary for rehabilitation. In France, as in other countries, the party in opposition uses these fears that possess and dominate the public mind, to unseat the government. When Premier Briand tried to be conciliatory he had to resign because he could not allay this haunting dread of another invasion, which American coöperation alone could banish.

AMERICAN ALOOFNESS MAKES FOR GERMAN-RUSSIAN ALLIANCE

Indirectly, our absence is the cause of despair in Germany. Without an adequate guaranty of safety, France cannot afford to let Germany revive economically. A Germany strong industrially means a Germany potentially strong militarily. So, while France insists on a strict enforcement of the Treaty of Versailles, Germany sees nothing but economic subjugation ahead. This is the fundamental reason why she has turned to Russia, the only country that will be both able and willing to supply her steadily with raw materials and a continuous market for her manufactured goods. A rap-

prochement between the two countries has been certain, since the refusal of the United States to grant a guaranty of safety to France has driven that country, through terror, to a strict enforcement of the Versailles treaty.

An agreement with Russia thus becomes Germany's only recourse. As long ago as October 14, 1920, I made the following statement: "Sooner or later there will be some kind of understanding between Germany and Russia. If there is, and Germany is a red and revolutionary Germany, the world will have to arm itself to defend the principles of democratic government against Bolshevism and anarchy." The present Germany has given abundant evidences that it does not want to become revolutionary; but if the present impasse continues, if living conditions continue to become worse and there is little hope for the future, then the extreme left wing of radicals, who expressed such joy at a public demonstration in Berlin when the Russo-German trade pact was announced from Genoa, may combine a revolutionary Germany with a Bolshevik Russia. If this comes to pass, all of the other powerful nations will have to combine to form a counter-balance. During our own lifetime and possibly for another generation we shall have a world of growing armaments and war, while taxes, becoming ever more and more unbearable, will, in turn, make for radicalism and revolution everywhere.

"DEFENSIVE WAR FOOTING" IN THE BALKANS

In the Balkans there is another danger spot, where the lack of an international tribunal with the power of the United States behind it, forces each little country to get on a "defensive war footing" when every economic consideration points to the wisdom of

and necessity for a sound business footing. Since even the best trained soldiers are of little use, unless backed up with a modern industrial organization to supply them with material, nation after nation is reaching out to secure such an organization. Instead of developing along its normal and profitable channels, it must make itself a forced, hothouse, industrial concern, even though as an agricultural country it ought to be a land of plenty. Of course the dread is that of being defenseless against the possible sudden onslaught of an even smaller nation which is industrially prepared for war.

It is for this purpose that economic barriers, such as high protective tariffs and political barriers to trade, are built up between nations that are really economically interdependent. Such economic wars are but real wars in their infancy. But as economic distress under such conditions is bound to continue, there is danger of formation in the Balkans of the long talked of Panslavic Union. Under the tutelage of a revolutionary Russia this would include a threateningly large part of Europe and great portions of Asia. It is this possibility that Mr. Lloyd George undoubtedly had in mind when, before going to Genoa, he pictured to the House of Commons the scene of western Europe overrun by revolutionary hordes from the East. If this should come to pass, how long would the United States remain immune?

AMERICA MIGHT HAVE PREVENTED MOHAMMEDAN UPRISING

Another great danger to peace is the recent uprising of the Asiatic races, which, if Europe and our own United States remain divided and weak, is bound to become a menace in ever greater and greater degree. There is trouble brewing, not only in India, but

in Egypt, Morocco, Arabia, Persia and in Central Asia, where the Bolshevik movement joins hands with Pan-Mohammedanism. In my judgment, and in that of many very much better students of world-conditions than I, this Mohammedan revolt, which threatens primarily England, but in reality all of her allies, would not have occurred had not our own coöperation been lacking. Under the League of Nations there would have been a chance for international adjudication of such troubles and such adjudication, in view of the confidence these peoples had in the leadership of the United States, would have forestalled the avalanche that now threatens.

Already one of the chief results of the Peace Treaty, the expulsion of the Turk from Europe, which would have made it possible for Russia to reach warm water by peaceful means, has been lost. Until Russia gets such an outlet we shall forever be faced with the danger of another war. You cannot bottle up an empire like that without incurring the danger of an explosion. The makeshift settlement of the Armenian question, which we have recently witnessed, cannot help causing future troubles, unless we get into a combination that is strong enough to give full justice and protection to this cruelly abused race.

RISKS OF NON-PARTICIPATION IN WORLD-PROBLEMS

A lifetime or a generation is only a split second on the clock of progress and to the historian of two or three hundred years hence it will make little difference whether the substitution of international law for warfare takes place in our generation or two or three generations hence, but to us and to our children the difference will be a basic one.

For our immediate interest, and for

the welfare of the next generation, the risks of delay in the rehabilitation of Europe are too great to be properly incurred. As a matter of fact, I think that Europe will be rehabilitated and that it will be done with our aid. As long as we do not give our aid, do not assume the responsibilities that are necessary for a return of confidence, good times will not be restored in our own country; we shall not be able to put our unemployed to work, or make reasonable profits in our businesses. No country can be self-sufficient and ours is no exception.

Our producing ability, as now organized, is greater than our capacity to consume, and without markets for our surplus products we shall be forced into a long period of adjusting our output to a greatly limited home market, which will bring years of over-competition, super-competition that will destroy profits and cause unemployment, a constantly lowering standard of living, and labor troubles on a large scale. Nor can we economically manufacture everything we need, no matter to what heights the tariff walls are raised. Moreover, by remaining isolated we shall inevitably raise throughout the world a spirit of anti-Americanism, which will injure us for a long time to come.

ENTRANCE TO INTERNATIONAL COURT THE NEXT STEP

Not only will such a course work to our material disadvantage, but, unless we assume the responsibilities for Europe that our duty demands, we shall not satisfy the conscience of the nation. But we shall not stand outside. We shall soon be doing our duty to Europe and the rest of the world. This nation is founded on faith in law and there is no substitute for war as a means of settling international questions except law. The practical next

step in our effective assistance of Europe is to help institute this new régime of law and order by backing the international court which has already been organized at The Hague and on which there is already serving a leading American jurist most experienced in international law. The overwhelming sentiment of this country is in favor of such a court. No irreconcilables can stop the American people from getting behind it, once the issue is put clearly before them. Both of the major parties are pledged to support it through their platforms, adopted and reiterated when in power and out of power.

All that is best in the American people, all their business judgment, all

their sense of justice, all their idealism, all that they have learned of the horrors of war, all their dead and maimed and crippled, the thousands of those still suffering in the hospitals from disease and wounds, will together make an irresistible force that will demand American coöperation in European rehabilitation. Against such a force misunderstanding, prejudice, and even mistaken party loyalty, will not long avail. We shall then, under the urge of the knowledge that American coöperation is necessary for the rehabilitation of Europe, act once more with the sincerity, enthusiasm and effectiveness that characterized our participation in the War.